Black Money

2543. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that black money of about one million crore is seriously influencing the economy of the country as reported in Samaj (Oriya) dated the 6th June, 2001;

(b) whether the present tax administration would be able to unearth the existence of black money; and

(c) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) According to a study made at the instance of this Ministry, by the National Institute of Public Finance and Policy (NIPFP) in 1983-84, the estimated undisclosed money was between Rs. 31584 crores and Rs. 36786 crores. No subsequent study has been conducted at the instance of this Ministry. As per the above study, the existence of black money results in misinformation about the actual state of the economy, loss of revenue, adverse implication for resource allocation, income distribution and monetary policy, etc.

(b) and (c) Necessary legislative, fiscal and administrative measures are continuously taken to unearth black money and to prevent the generation thereof. Rates of taxation have been progressively rationalized. Various provisions in the Income Tax Act; like compulsory maintenance/audit of accounts in appropriate cases under sections 44AA/44AB, restrictions on cash transactions under sections 40A(3), 269SS, 269T, premptive purchase of properties and penalites/ prosecutions for punishing tax defaulters, are aimed at preventing generation and flow of black money. Searches and surveys in appropriate cases are continuously undertaken to unearth the black money. General information is also gathered by the Central Information Branches of the Income Tax Department about various financial transactions. Simplifications of procedures for filing returns and for making payment of taxes are also directed towards greater compliance by the tax payers, which will be an anti-dote to tax evasion.

Opening of petrol/gas agencies in Madhya Pradesh

† 2544. SHRIB ALKAVIB AIRAGI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

† Original notice of the question was received in Hindi.

(a) the number of applications received by the Central Government for opening petrol/LPG agencies in Madhya Pradesh so far; and

(b) the number of applications disposed off out of them and action being taken with regard to the rest of the applications?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) The oil companies propose to set up 116 retail outlet dealerships and 304 LPG distributorships in the State of Madhya Pradesh. Out of these, 24 retail outlet dealerships and 56 LPG distributorships have been allotted and the remaining dealerships/ distributorships are at various stages of selection.

Adulteration and Pilferage in Oil Tankers

2545. SHRI LAJPAT RAI: Will the Minister of PETROLUEM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the oil tankers after filling are not sealed at the filling stations oil depots;

(b) whether it is also a fact that these tankers are then tampered while in transit resulting into short supply and adulteration in the product carried; and

(c) if so, what strict measures are being taken by Government to stop this pilferage and adulteration?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) No, Sir. For Delivered Supplies, all the oil tankers are sealed with serial numbered plastic seals and the numbers are incorporated in the invoice/challan after assessing the correct quantity. The sealings are supervised by an authorised person. After quality check, the density at 15 deg. is recorded in the challan/invoice.

(b) On receipt of tanklorries at Retail Outlets, seals are checked by Dealers. In case the seals are found tampered, after necessary investigations, action is initiated against the transporter as per Industry Transport Discipline Guidelines.

(c) Oil companies have a tamper proof new Tank Truck locking Sealing System to prevent pilferage and adulteration during transportation. The Tank Truck supplying products to the Retail Outlets would be locked with unique/ Retail Outlet specific locks. The keys of the locks would be made available with